(c) the steps taken to recover tax dues from corporate houses?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir. The collections under Corporate Income Tax and Personal Income Tax up to July, 2005 are 26% higher than the collections during the corresponding period of last year.

(b) Does not arise in view of reply to para (a) above.

(c) Apart from the steps taken for recovery of outstanding tax dues as prescribed under the Income Tax Act (including attachment of bank accounts, debts, etc. attachment and sale of immovable property, etc.), the following special measures are being taken to recover direct tax dues:

1. Monitoring of recovery of arrears in large cases by a Task Force.
2. Identification of cases involving substantial amount of arrears pending before Commissioners (Appeals) and ITAT and requesting these authorities to dispose off such appeals early so that the demand can be collected during the current financial year itself.
3. No adjournment to be sought by the Departmental Representatives before ITAT in high-demand appeals and in appeals where stay of demand has been granted, without the prior approval of the Chief Commissioner.
4. Requesting the President of ITAT not to allow stay of demand beyond 180 days as prescribed section 254(2A) of the Income-tax Act.
5. Requesting Commission to dispose off high-demand cases expeditiously.

AMFI Mutual Fund Distributors Test

2256. SHRI DHARAM PAL SABHARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it has been made mandatory for agents to pass AMFI Mutual Fund Distributors Test conducted by NSE otherwise their agency will be terminated;

(b) if so, the details thereof; and

(c) whether the trial commission of agents have been stopped by Unit Trust of India for those who could not pass the prescribed test, if so, the reasons therefor and whether Government propose to instruct the UTI to release the Commission immediately?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Information is being collected and will be laid on the Table of the House.

Closing of banks in rural areas

2257. SHRI VIJAY J. DARDA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that with the introduction of reforms process, Public Sector Banks have reduced their branches in rural areas, on the ground that such branches had accumulated non-performing assets due to their inability to recover loans;

(b) if so, what were the reasons for non-recovery of NPAs and why the rural clients should suffer for lack of efforts on the part of banks for non-recovery of NPAs;

(c) whether the banks so closed will be reopened; and

(d) if not, how Government propose to provide banking facilities in such areas?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) As reported by the Reserve Bank of India (RBI) there were 18990,19018 and 19066 rural branches of the Public Sector Banks (PSBs) as on 31st March, 2003, 2004 and 2005, respectively, which shows an increasing trend. As per the present branch licensing policy of the RBI, it is left to the discretion of the banks to assess the need for opening bank branches in any area of the country after taking into consideration certain factors such as business potential, Viability, infrastructure, security etc. RBI encourages banks to open more branches in rural areas and gives priority to such requests.

(b) to (d) Do not arise.